

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

FOR: HEALTH CARE FINANCING ADMINISTRATION

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

1. TRANSMITTAL NUMBER:

02-11

2. STATE

NC

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE

July 1, 2002

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN

☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN

☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

42 CFR 447.201

7. FEDERAL BUDGET IMPACT:

a. FFY **02** (\$ **875,213**)

b. FFY **03** (\$ **4,169,596**)

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19-B Section 23 Page 6

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable):

Attachment 4.19-B, Section 23, Page 6.

10. SUBJECT OF AMENDMENT:

Medical and Remedial Care and Services for Personal Care Services

11. GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT

☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☒ OTHER, AS SPECIFIED: Not Required

12. SIGNATURE OF STATE AGENCY OFFICIAL:



13. TYPED NAME:

Carmen Hooker Odom

14. TITLE:

Secretary

15. DATE SUBMITTED:

June 27, 2002

16. RETURN TO:

Office of the Secretary
Department of Health and Human Services
2001 Mail Service Center
Raleigh, North Carolina 27699-2001

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

June 27, 2002

18. DATE APPROVED:

March 11, 2003

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

July 1, 2002

20. SIGNATURE OF REGIONAL OFFICIAL:



21. TYPED NAME:

Rhonda R. Cottrell

22. TITLE: Associate Regional Administrator
Division of Medicaid & Children's Health

23. REMARKS:

MEDICAL ASSISTANCE
STATE NORTH CAROLINA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

23. Any other Medical Care and any other type of remedial care recognized under State law, specified by the Secretary.
- f. Personal care services in recipient's home, prescribed in accordance with a plan of treatment and provided by a qualified person under supervision of a registered nurse.

Payment is based on a hourly fee not to exceed reasonable cost. Notwithstanding any other provision, if specified these rates will be adjusted as shown on supplement 1 to the 4.19-B section of the state plan.

CONTRACTS WITH PRIVATE NON-MEDICAL INPATIENT INSTITUTIONS

The Division of Medical Assistance shall enter into contracts using 42 CFR 434-12 for the provision of personal care services for State/County Special Assistance clients residing in adult care homes.

Reimbursement is determined by the Division of Medical Assistance based on a capitation per diem fee derived from review of industry costs and determination of reasonable costs with annual inflation adjustments. The initial basic per diem fee is based on one hour of services per patient day. Additional payments may be made utilizing the basic one hour per diem fee as a factor, for Medicaid eligibles that have a demonstrated need for additional care. The initial basic one hour fee is computed by determining the estimated salary, fringes, direct supervision and allowable overhead. Effective January 1, 2000 the cost of medication administration and personal care services direct supervision shall be added to the basic per diem. The per diem rates may be recalculated from a cost reporting period selected by the state. Notwithstanding any other provision, if specified these rates will be adjusted as shown on supplement 1 to the 4.19-B section of the state plan. Payments may not exceed the limits set in 42 CFR 447.361. Effective January 1, 2000, payments to private providers will be cost settled with any overpayment repaid to the Division of Medical Assistance. The first cost settlement period shall be the nine months ended September 30, 2000. Subsequently, the annual cost settlement period shall be the twelve months ending September 30. No additional payment will be made due to cost settlement.

CONTRACTS WITH PUBLIC NON-MEDICAL INPATIENT INSTITUTIONS

The Division of Medical Assistance shall enter into contracts using 42 CFR 447.200 for the provision of personal care services for State/County Special Assistance clients residing in adult care homes.

Public providers will be paid on an interim basis using the same reimbursement methods applicable to private providers. Payments to public providers are to be cost settled with any overpayment repaid to the Division of Medical Assistance. No additional payment will be made due to cost settlement.